



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 7, 2012

CERTIFIED RETURN RECEIPT  
7011 0110 0001 3568 2929

Keith MacKay  
State Stone Corporation  
4640 South Commerce Drive  
Murray, Utah 84107

Subject: Review of Reclamation Surety, State Stone Corporation, Torrey Buff/Red Quarries, S/055/021, Wayne County, Utah

Dear Mr. MacKay:

The last surety estimate for the Torrey Buff Sandstone Quarry was done in 2005 and was escalated to 2011 dollars. The surety amount needs to be adjusted to account for changes in reclamation costs.

Based on average reclamation costs, the surety amount needs to be increased from \$13,500.00 to \$26,700.00 for a three-year escalation or \$27,800.00 for a five-year escalation. The average reclamation costs are outlined below:

Project Size (Acres)	Surety 3 & 5 year escalation 2010	Comments
1 or less acres	\$7,900 (3-year escalation) \$8,200 (5-year escalation)	Minimum amount required
Additional acres up to 5 acres	\$4,700/ acre (3-year escalation) \$4,900/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)

The Division of Oil, Gas and Mining recognizes that you have done reclamation work at these sites, but it is not reflected in the reclamation surety amounts shown above or in the acreage figure in your Notice of Intention to Commence Small Mining Operations (Notice). The surety amount, however, needs to reflect the amount of disturbance that may be created as specified in the Notice.



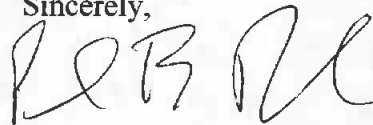
Torrey Buff- Red  
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By February 27, 2012, please notify the Division in writing whether you will post the additional surety or apply to modify the Notice and reduce the acreage that may be disturbed and thus the reclamation surety requirement.

Please contact the bond coordinator, Penny Berry, at 801-538-5291 or by e mail at [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov) for information about submitting the additional bond. Your current bond is in the form of cash. You may increase the cash deposit bonding forms are available on the Internet at <http://www.ogm.utah.gov/minerals/MINERALSFORMS.htm>.

Thank you for our cooperation. Please call me at 801-538-5261 or Wayne Western at 801-538-5263 if you have questions about this letter.

Sincerely,



Paul B. Baker  
Mining Program Manager

PBB:whw:pb  
cc: Sue Fivecoat, Hanksville BLM  
John Reay, Hanksville BLM  
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